

Message Text

UNCLASSIFIED

PAGE 01 BONN 05177 091525 Z

44

ACTION EUR-25

INFO OCT-01 ADP-00 AID-20 CIAE-00 COME-00 EB-11 FRB-02

INR-10 NSAE-00 RSC-01 TRSE-00 XMB-07 OPIC-12 CIEP-02

LAB-06 SIL-01 SAL-01 OMB-01 DODE-00 PM-09 H-02 L-03

NSC-10 PA-03 PRS-01 SS-15 USIA-12 GAC-01 RSR-01 /157 W
----- 018338

R 091425 Z APR 73

FM AMEMBASSY BONN

TO SECSTATE WASHDC 4370

INFO AMEMBASSY BERN

AMEMBASSY LONDON

AMEMBASSY PARIS

AMEMBASSY ROME

USMISSION EC BRUSSELS

USMISSION OECD PARIS

UNCLAS BONN 5177

DEPARTMENT PASS TREASURY

E. O. 11652: N/ A

TAGS: EFIN, GW

SUBJECT: EMMINGER ON CENTRAL BANK GOLD SALES

1. SUMMARY: IN AN INTERVIEW IN THE " WELTWOCHE" (ZURICH) OF MARCH 28 WHICH HAS BEEN REPRINTED IN THE PRESS REVIEW OF THE BUNDES BANK, BUNDES BANK VICE PRESIDENT EMMINGER COMMENTED ON THE CURRENT MONETARY SITUATION. HE STRESSED THAT THE CURRENT PARITY RELATIONSHIPS ARE THE CORRECT ONES FOR THE PRESENT AND FORESEEABLE FUTURE, THAT THE US HAD MOVED AWAY FROM A THEORY OF BENIGN NEGLECT TO A THESIS OF BENIGN INTEREST CONCERNING THE EXCHANGE RATE OF THE DOLLAR AND INDICATED THAT IN HIS VIEW SOONER OR LATER CENTRAL BANKS SHOULD AGAIN BE FREE TO SELL GOLD ON THE FREE MARKET. THERE FOLLOWS BELOW A TRANSLATION OF THE PORTION OF THE INTERVIEW DEALING WITH CENTRAL BANK GOLD SALES. END SUMMARY

UNCLASSIFIED

UNCLASSIFIED

PAGE 02 BONN 05177 091525 Z

2. BEGIN QUOTE

QUESTION:... DOES THE BUNDES BANK CONSIDER THE SALE OF GOLD ON
THE FREE MARKET?

ANSWER: WE HAVE SEEN THAT DURING THE LAST GREAT DOLLAR CRISIS
THE QUICK RISE OF THE GOLD PRICE ON THE FREE MARKET TO ABOVE
\$90.00 PER OUNCE WAS ONE OF THE ELEMENTS WHICH CAUSED
DISTURBANCES
AND ALSO REINFORCED THE SPECULATIVE ATTACK ON NSATISFACTORY TO THE
CDU/CSU. THE BUNDES RAT WOULD
AGAIN HAVE THE OPTION OF REJECTING THE COMMITTEE DECI-
SION. IF THIS WERE DONE, THE BASIC TREATY LEGISLATION
WOULD HAVE TO BE SENT BACK TO THE BUNDESTAG, WHERE THE
BUNDES RAT'S OBJECTION COULD BE OVERRIDDEN BY AN
ABSOLUTE MAJORITY. USE BY THE CDU/CSU OF ALL POSSI-
BILITIES TO DELAY RATIFICATION WOULD PROBABLY PUT OFF
RATIFICATION OF THE TREATY WELL INTO JUNE.

HILLENBRAND

CONFIDENTIAL

*** Current Handling Restrictions *** n/a

*** Current Classification *** UNCLASSIFIED

Message Attributes

Automatic Decaptoning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts:
Control Number: n/a
Copy: SINGLE
Draft Date: 09 APR 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973BONN05177
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: n/a
Errors: n/a
Film Number: n/a
From: BONN
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t19730437/aaaahylq.tel
Line Count: 87
Locator: TEXT ON-LINE
Office: ACTION EUR
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: kellerpr
Review Comment: n/a
Review Content Flags:
Review Date: 03 AUG 2001
Review Event:
Review Exemptions: n/a
Review History: RELEASED <03-Aug-2001 by reddocgw>; APPROVED <16-Aug-2001 by kellerpr>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: <DBA CORRECTED> gwr 971212
Subject: EMMINGER ON CENTRAL BANK GOLD SALES
TAGS: EFIN, GW
To: BERN
EC BRUSSELS
EUR
LONDON
OECD PARIS
PARIS
ROME

SECSTATE WASHDC

Type: TE

Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005